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15 August 1957

MEMORANDUM FOR: Acting Comptroller

FROM : Chief, Technical Accounting Staff

SUBJECT : Simplified Allotment Accounting for  
WH Division

REFERENCES : (a) Memorandum dated 27 June 1957 to  
Comptroller from Chief, WH Support,  
Same Subject

(b) Memorandum dated 9 August 1957 from  
Chief, Budget Division to Comptroller,  
Same Subject

1. Reference (b) states a nonconcurrence of the Chief, Budget Division based upon his interpretation of regulations to the effect that the Comptroller is responsible for monitoring compliance with DCI and PRC approvals on each project and that expenditures, obligations, and allotments for each project are recorded in the Finance Division as the official Agency accounting system. He points out that in his opinion, in order to effectively operate under the reduced number of allotments, some change is necessary to reduce the present firm requirements necessitating strict compliance with specific project approvals.

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2. Insofar as regulations are concerned which relate to requirements to issue allotments for approved projects, Regulation [REDACTED], paragraph 4.c.(2) states that "Upon the approval of projects the Comptroller shall issue allotment advices which constitute authorization to obligate and expend funds for the activation and implementation of the projects concerned in full compliance with applicable Agency regulations".

3. The above quoted provision of regulations does not require separate allotments to be issued concerning each separate project. If such an interpretation were deemed appropriate, this also would render it essential to issue separate allotments for each approved FI project. This has not been done by the Agency for several years and is not deemed essential under this regulation. It is believed proper to apply this provision of the regulations in the same manner to both PP and FI projects.

FOR NO. 79-00065A  
IN CLASS X  
NEAR REV DATED 67  
NO. FCS 6  
REV CLASS S  
DOC. NO. 1  
FID NO. 4  
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AUTH: HR 70-3

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4. Similarly, no specific provision of regulations exists requiring this Office to maintain allotment control records to assure that obligations incurred in connection with each project do not exceed the amount of project approval or authorized deviations therefrom. Finance Division does not maintain records for this purpose with respect to each FI project, and there is no regulatory provision requiring this office to maintain such a record for each PP project.

5. The proposal of the WH Division as modified by the suggested language revisions made by this Staff would permit the exercise of discretion concerning adjustments between individual projects by Station Chiefs within the total country allotments for PP projects subject to the provision that at no time shall obligations be incurred in excess of the firm annual limitation stipulated for each individual project in the WH Division's advice to the field. This would correspond with the present flexibility permitted relative to FI projects except that the deviation of 15 percent or \$1,500, whichever is less, permitted with respect to FI projects would not apply to PP projects. Under the modified proposal the field stations would maintain positive control records to assure compliance with the individual limitations stipulated for field use for both FI and PP projects.

6. Also, under the modified proposal, this Office would maintain allotment control records for each allotment to WH and rely on the Division to maintain controls to assure compliance with specific limitations based upon PP project approvals in the same manner as is now accomplished with respect to FI approvals. The present confidential funds allotment control records on individual PP projects maintained by the Finance Division depend on obligation reports transmitted to Finance from the area division allottees and thus are no better than those which the area divisions themselves could maintain.

7. In view of the foregoing, it would appear, consistent with procedures in effect for FI projects, that there is authority in regulations and precedent in procedures for accepting the proposal made by WH as modified by paragraph changes developed and available to you.



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Approved For Release 2001/07/12 : CIA-RDP79-00065A000100040001-5

## ROUTING AND RECORD SHEET

SUBJECT: (Optional)

FROM: Chief, Technical Accounting Staff  
200 Alcott Hall, ext. 8750

NO.

DATE

15 August 1957

TO: (Officer designation, room number, and building)

DATE

RECEIVED

FORWARDED

OFFICER'S  
INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

1. Acting Comptroller  
1039 Alcott Hall

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